GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:3600
ANSWERED ON:23.12.2008
RESTRUCTURING OF SMALL SCALE AND VILLAGE INDUSTRY
Barad Shri Jashubhai Dhanabhai

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a): whether the Government has any plan to restructure / review the small sale and village industry in the country;

(b): if so, the salient features thereof;

(c): the funds allocated for the said purpose; and

(d): the time by which this plan is likely to be implemented?

Answer

MINISTER OF MICRO,SMALL & MEDIUM ENTERPRISES(SHRI MAHABIR PRASAD)

(a) to (d): The promotion and development of micro and small enterprises (MSEs) is primarily the function of the respective State / Union Territory (UTs) Governments. The Central Government supplement the efforts of States/UTs by providing supportive measures to enhance the competitiveness of the MSEs . In accordance with the feed back received from different stakeholders at different fora, including National Board for Micro, Small and Medium Enterprises (NBMSME) which meets once in every three months, the Government undertakes review/restructuring of different schemes/ programmes so as to enable MSEs meet the challenges of the prevailing economic scenario. Towards this end, the Government has enacted the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, which has come into effect from 2nd October 2006. The Government has also recently launched a new credit linked subsidy programme called Prime Minister`s Employment Generation Progarmme (PMEGP) by merging two schemes that were in operation till 31.3.2008 namely, Prime Minister`s Rozgar Yojana (PMRY) and Rural Employment Generation Programme (REGP) for generation of employment opportunities through establishment of micro enterprises in rural as well as urban areas. The overall provision during the Eleventh Five Year Plan for ongoing/new schemes of the Ministry of MSME is Rs.11,500 crore.